

**Actions Affecting Major State Tax, License and Fee Estimates
and Estimates of Net Available State General Fund Revenue**

2008 2nd Extraordinary Session

Instrument	Description	2008-09	2009-10	2010-11	2011-12	2012-13
SESSION ACTIONS - REVENUE						
Sales Tax - General						
Act 1 2nd. Ex. Session HB 1	Eliminate 1% levy of state sales tax on nonresidential purchases of electricity, natural gas energy, steam, and water. Also eliminates all 4% tax on nonresidential purchases of butane and propane. Effective July 1, 2008.	(\$69,000,000)	(\$68,250,000)	(\$68,250,000)	(\$68,250,000)	(\$68,250,000)
Act 9 2nd. Ex. Session SB 7	Corrects error in Act 339 of 2007 Regular Session granting manufacturing status to newspaper publishing for purposes of the phase-out of state sales tax on machinery & equipment. Already accounted for official forecasts.	\$0	\$0	\$0	\$0	\$0
	Also clarified that immediate 4% exemption granted to fuels and gases in HB 1 above applied to butane and propane. Effective upon governor's signature.	\$0	\$0	\$0	\$0	\$0
Act 12 2nd. Ex. Session SB 12	Shortens, by one year, the phase-out schedule currently granted to manufacturing machinery & equipment. Complete 100% exemption will occur in FY10 rather than FY11. Effective July 1, 2008.	\$0	(\$4,000,000)	\$0	\$0	\$0
Corporate Income & Franchise Tax						
Act 10 2nd. Ex. Session SB 10	Shortens, by one year, the phase-out schedule currently granted to borrowed capital. Complete 100% exemption will occur with tax year 2001 (FY11) rather than tax year 2012 (FY12).	\$0	\$0	(\$26,000,000)	\$0	\$0
Act 4 2nd. Ex. Session HB 9	Grants another \$50 million of state tax credits for implementation of the state New Markets Tax Credit program. Credits are issued over a three year period, with a three year schedule of realizations allowed. Other program changes are also made.	(\$10,000,000)	(\$15,000,000)	(\$15,000,000)	(\$7,500,000)	(\$2,500,000)

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Personal Income Tax						
Act 8 2nd. Ex. Session SB 5	Provides tax deductions for nonpublic school tuition and certain home school expenses, as well as for required school uniforms, texts, curricula, instructional materials, and supplies purchased for both nonpublic and public school students. Effective for expenditures starting in 2009.	\$0	(\$23,338,000)	(\$24,500,000)	(\$25,700,000)	(\$27,000,000)
Act 5 2nd. Ex. Session HB 18	Holds harmless state individual income tax liabilities that would be increased by the federal income tax rebates provided under the federal Economic Stimulus Act of 2008. Greater state income tax receipts resulting from this extraordinary federal tax action have not been anticipated in the official revenue forecasts. Effective for tax years beginning in 2008.	\$0	\$0	\$0	\$0	\$0
SGF Earnings						
Act 2 2nd. Ex. Session HB 5	Authorizes state investment in debts of the Louisiana Stadium and Exposition District. Potential loss of general fund earnings to the extent existing investments are replaced with lowering yielding LSED instruments.	Potential Revenue Loss	Potential Revenue Loss	Potential Revenue Loss	Potential Revenue Loss	Potential Revenue Loss
Total Adjustments To Major State Tax, License And Fee Estimates		(\$79,000,000)	(\$110,588,000)	(\$133,750,000)	(\$101,450,000)	(\$97,750,000)
SESSION ACTIONS - DEDICATIONS						
Transportation Trust Fund / State Highway Improvement Fund						
Act 11 2nd. Ex. Session SB 11	Phases in a dedication of the state sales tax on motor vehicles to the TTF over a 7-year period, starting with FY09 at 10%, then 20% in FY10, 30% in FY11, 50% in FY12, 75% in FY13, 85% in FY14, and 100% in FY15 and beyond. Dedications cease if revenue forecasts decline, and begin again once forecasts exceed their previous level. Also accelerates the dedication of truck licenses into the SHIP, from 50% to 75 in FY09 and from 75% to 100% in FY10.	\$42,410,000	\$74,920,000	\$97,680,000	\$166,300,000	\$254,700,000
Adjustments To Dedications of Major State Tax, License, and Fee Estimates		\$42,410,000	\$74,920,000	\$97,680,000	\$166,300,000	\$254,700,000
TOTAL ADJUSTMENTS TO OFFICIAL NET AVAILABLE STATE GENERAL FUND-DIRECT REVENUE FORECAST		(\$121,410,000)	(\$185,508,000)	(\$231,430,000)	(\$267,750,000)	(\$352,450,000)